

Testimony to the U.S. House of Representatives
Committee on Agriculture
June 29, 2006

Mark Gaalswyk, President of Easy Automation, Inc.

Easy Automation, Inc. – Background

- Easy Automation, Inc. (EAI) is an industry leader in innovative agriculture technologies.
- EAI is the largest provider of Feed Software and Automation in North America.
- EAI has over 3,000 customers (Map attached).

Ethanol

- For the past few years EAI has been quietly developing a new innovative process for making ethanol.
- EAI's patent pending process enables factory built, pre-wired, pre-plumbed ethanol plant modules to be built in a size that will fit in a shipping container.
- These shipping container sized ethanol modular plants can be pre-built in a factory and shipped all over the world.
- All one needs to do is set them on floor –plug them in – and begin making ethanol.
- Each unit will produce approximately 750,000 gallons of ethanol per year.
- To make a larger plant, simply plug more of these units together. All of the individual units will then function together as one complete larger plant.
- The units can all be connected to the Internet and monitored and serviced by EAI's staff in Welcome, Minnesota.
- EAI has built a couple of test units and is now gearing up for mass scale production of these systems.

Advantages

- EAI believes that its factory built modular ethanol plants will change the renewable fuels industry the way that Henry Ford's factory built automobiles led to rapid expansion of the auto industry.
- Because they can be assembled to make any size plant from 750,000 gallons up to a 200 million gallon plant, EAI believes many of the units will be installed by larger farmers and existing rural ag cooperatives.
- Some of the advantages of the ethanol plants being owned by large farmers and rural ag cooperatives is that the "value added" benefit will be more closely tied to the producers themselves. The approach will also provide for a greater utilization of existing infrastructure of grain elevators and feed mills. This in turn will lead to a more rapid deployment of renewable fuels systems throughout the country.
- Simply put, EAI's goal is to place an add-on ethanol plant module at each of its 3,000 existing customer sites represented on the customer map.
- EAI expects this "Decentralized" approach to ethanol production to be fought by many of the large Ag conglomerates who favor a more "Centralized" business model and thus a larger barrier to entry.

Technology

- In addition to its innovative modular technologies, EAI is also testing and improving the process of making ethanol.
- This process includes a method of making ethanol that replaces the cook process with a different means of exciting the molecular activity and thus improving the conversion process. These processes can greatly reduce the use of other forms of energy and also reduce pollution related emissions.
- In addition to a better conversion process, this process improves the nutritional content of the feed by-product.
- Initial research on the patent pending process has indicated that the combination of EAI's technologies can create ethanol without burning any natural gas, with no emissions, and a conversion efficiency of 3.2 gallons per bushel of corn. The industry standard is 2.8 gallons of ethanol per bushel of corn. The end result will be the production of ethanol at a cost of production approaching 70 cents per gallon as compared to the current industry standard of approximately \$1 per gallon.

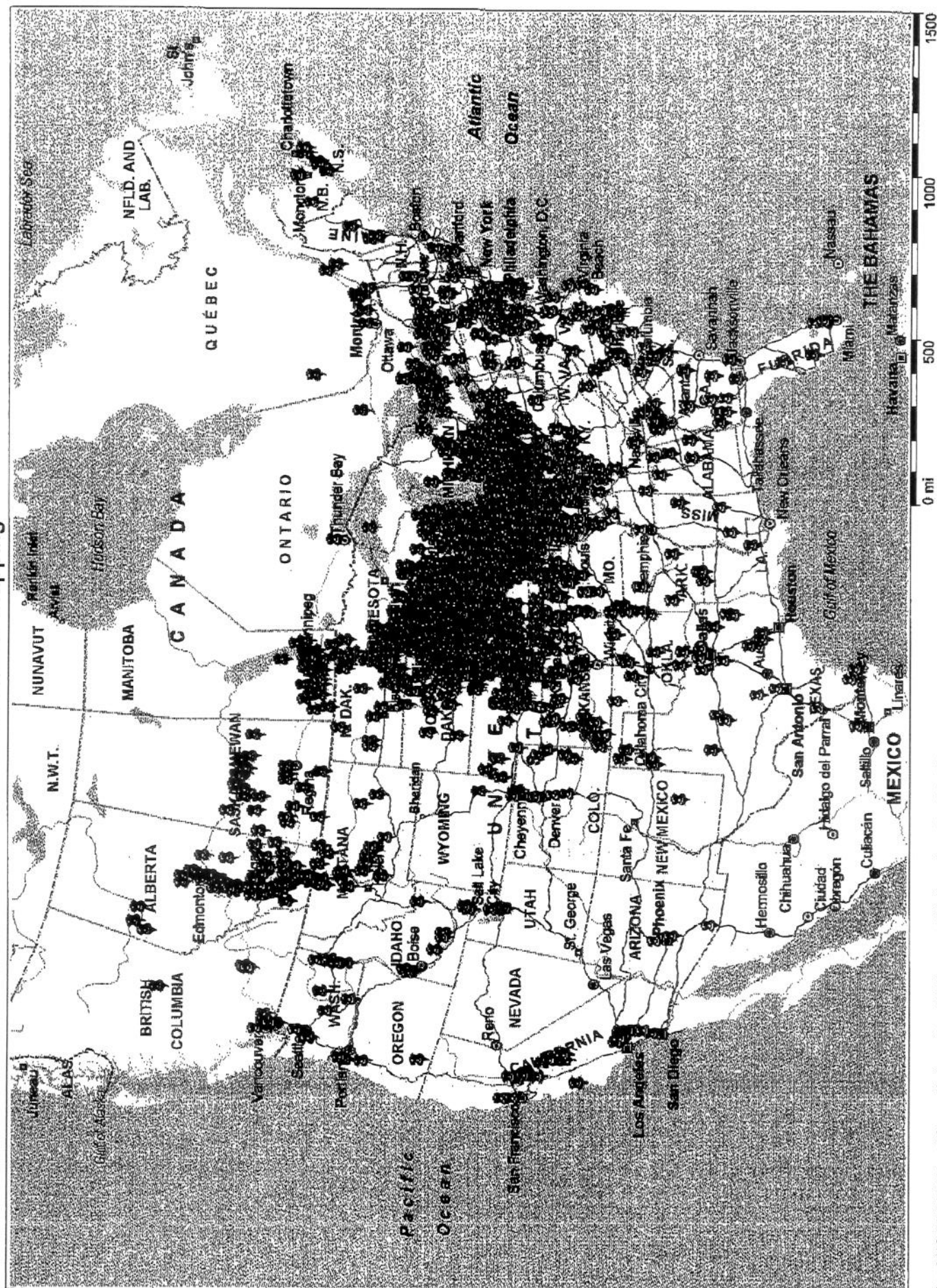
Environmental Benefits

- The decentralized model better distributes any negative environmental impact that may be present.
- With the ethanol plants located closer to the place of production, the costs and environmental aspects of transportation are reduced. Corn can be grown, ethanol produced and the feed by-product consumed – all without ever leaving the farm.
- Because the systems do not need to use steam for the cook process, the usage of water is reduced and large steam stacks can be eliminated.
- Because the systems will often be tied directly to a Feed Mill, the feed by-product can be mixed in with the animal feed and consumed immediately. This eliminates much of the drying process that is often associated with traditional ethanol plants that dry the by-product to create dried distillers grain (DDG). This drying process improves shelf life as the material is transported back as animal feed. It is this drying process that creates many of the air emissions problems the industry traditionally faces.

Conclusion:

- The ethanol industry is going through a rapid improvement in technologies.
- EAI asks for your continued support as we and other companies continue to improve technologies and build the nation's production of renewable fuels.

EAI Customer Mapping



**Committee on Agriculture
U.S. House of Representatives
Information Required From Non-governmental Witnesses**

House rules require non-governmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Mark K. Gaalswyk
2. BusinessAddress: 102 Mill Street
PO Box 412
Welcome, MN 56181
3. Business Phone Number: 507-728-8214
4. Organization you represent: Easy Automation Inc.
5. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:

Mark Gaalswyk is the founder, president and CEO of Easy Automation, Inc. Mr. Gaalswyk was named Minnesota Technology Leader of the Year in 1998. A number of Mr. Gaalswyk's inventions and products have received top U.S. Ag Engineering Awards. Mark's previous company,, Easy Systems, Inc. , earned the INC 500 award as one of the 500 fastest growing companies in the United States. Mark was the president & CEO of Easy Systems, Inc. when it earned the U.S. State Legislators' Award as one of the top four Small Businesses in the United States.

6. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:

A strong background in physics, math and computer science. Farmer, Inventor, Business Owner, Technology Leader.

7. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:

Founder, President, CEO of Easy Automation, Inc.

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.

**Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form**

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2004.

Name: Mark K. Gaalswyk

Address: 12 Lakeshore Drive, Sherburn, MN 56171

Telephone: 507-764-7013

Organization you represent (if any): Easy Automation, Inc.

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2004, as well as the source and the amount of each grant or contract. House Rules do NOT require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: _____ **Amount:** _____

Source: _____ **Amount:** _____

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2004, as well as the source and the amount of each grant or contract:

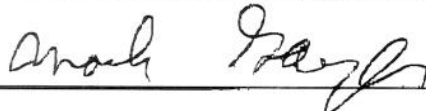
Source: _____ **Amount:** _____

Source: _____ **Amount:** _____

Please check here if this form is NOT applicable to you:

X

Signature:



** Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.